

CRS Report for Congress

FY2008 Emergency Supplemental Request for International Affairs

December 7, 2007

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Prepared for Members and
Committees of Congress

FY2008 Emergency Supplemental Request for International Affairs

Summary

The White House has submitted emergency supplemental requests to Congress for military operations in Iraq and Afghanistan, and international affairs programs totaling \$196.5 billion. The request was made in two installments — an estimate of additional expenses was sent to Congress with the FY2008 regular budget request in February 2007, and a second amended request was made on October 22, 2007. Of the total, \$6.897 billion consists of international affairs spending, relating to State Department operations and foreign assistance programs. This report analyzes the international affairs portion of the request and tracks related legislative activity.

On February 6, 2007, the Administration sent to Congress its regular FY2008 budget that included \$35.1 billion for international affairs. At the same time, the President sent Congress a separate FY2008 emergency supplemental request of \$3.301 billion for international affairs. On October 22, 2007, the Administration amended its supplemental request with \$3.596 billion in additional spending. The total FY2008 emergency supplemental request for international affairs spending amounts to \$6.897 billion. While the largest portion of the total request is for State Department operations and foreign assistance in Iraq and Afghanistan, it also includes sizeable requests for programs in Mexico, the West Bank and Gaza, North Korea, Sudan, and Pakistan.

The Bush Administration has increasingly requested supplemental funds for international affairs budgets. Some budget experts and opposition party members have criticized this Administration for relying too heavily on supplementals, saying that many items have become routine, particularly relating to Iraq and Afghanistan, and should be incorporated into the regular appropriations cycle. The Administration counters that given the nature of rapidly changing overseas events and unforeseen emergencies, it is necessary to make supplemental requests for what it claims are unexpected and non-recurring expenses.

The House has passed a so-called “bridge fund” to provide part of the supplemental request for military operations (H.R. 4156). The White House has threatened to veto funding for military activities in Iraq if the legislation includes any mention of a time line for American troops to leave Iraq. It is possible that some international affairs supplemental funding may be included in an omnibus appropriations bill. H.R. 2764, the State, Foreign Operations, and Related Programs Appropriation bill, is reportedly the vehicle that may be used for an omnibus, and could be considered by the House as early as December 11, 2007. Some congressional leaders have said that a full supplemental may not be considered until 2008.

This report will be updated.

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FY2008 Emergency Supplemental Request for International Affairs

International Affairs Emergency Supplemental

On February 6, 2007, the Administration sent to Congress its regular FY2008 budget that included \$35.1 billion for international affairs. At the same time, the President sent Congress an FY2008 emergency supplemental request of \$3.301 billion for international affairs. On October 22, 2007, the Administration amended its supplemental request with \$3.596 billion in additional spending. The total FY2008 emergency supplemental request for international affairs spending amounts to \$6.897 billion. While the largest portion of the total request is for State Department operations and foreign assistance in Iraq and Afghanistan, it also includes sizeable requests for programs in Mexico, the West Bank and Gaza, North Korea, Sudan, and Pakistan. (The international affairs supplemental request is part of a larger package totaling \$196.5 billion that also includes funding for military operations in Iraq and Afghanistan.)

The State Department estimates emergency supplemental funding needs of \$3.220 billion for Diplomatic and Consular Programs (DCP) in Iraq and Afghanistan, Worldwide Security Upgrades in Afghanistan, staff housing in Afghanistan, Contributions to International Organizations, and Contributions to International Peacekeeping Activities (CIPA) for Darfur. Two-thirds (\$2.1 billion) of the State Department request is for Diplomatic and Consular Program funding for Iraq Operations. Foreign Operations comprise \$3.678 billion, including \$350 million for P.L. 480 food assistance. Nearly half of the total foreign operations package is allocated for assistance in Iraq and Afghanistan.

The Bush Administration has increasingly requested emergency supplemental funds for international affairs budgets. Some budget experts and opposition party members have criticized the Administration for relying too heavily on supplementals, and that some items, particularly relating to Iraq and Afghanistan, have become routine and should be incorporated into the regular appropriations cycle. The Administration counters that given the nature of rapidly changing overseas events and unforeseen emergencies, it is necessary to make emergency supplemental requests for what it claims are unexpected and non-recurring expenses.

State Department Operations¹

In February 2007, the original FY2008 State Department portion of the emergency supplemental request consisted of \$1.882 billion for Diplomatic and

¹ Prepared by Susan B. Epstein, Specialist in Foreign Policy.

Consular Programs, all for operations in Iraq, and \$53 million for Contributions to International Organizations (CIO). The Administration amended this supplemental, adding nearly \$1.3 billion: \$401.4 million for Diplomatic and Consular Programs (DCP), \$160 million for Embassy Security, Construction, and Maintenance (ESCM), and \$723.6 million for Contributions for International Peacekeeping Activities (CIPA). Total emergency funds requested for FY2008 for the State Department's Administration of Foreign Affairs equal \$3.220 billion in addition to the regular budget request of \$7.317 billion for the Administration of Foreign Affairs. (See **Table 1**.)

Currently, the Mission in Iraq consists of more than 1,000 direct-hire Americans representing 12 U.S. government agencies.² For the Diplomatic and Consular Programs account, the Department is requesting a total of \$2,283 million, of which \$2,120.6 million is for emergency needs in Iraq. In addition, \$402.6 million of carryover funds are available, for a total of \$2,523.2 million for Iraq operations. Of this sum, \$978.7 million would pay for security needs, such as local guards (\$151.6 million), compound guards (\$164.0 million), regional security (\$167.3 million), personal security details (\$301.4 million), armored vehicles (\$41.2 million), physical and technical security, such as vehicle barriers and bomb detective dogs (\$8.7 million), equipment, such as bullet proof vests, ammunition, and masks (\$6.4 million), other support, such as special agents traveling to Iraq and counterterrorism training (\$28.1 million), and overhead cover protection to bolster rooftops (\$110.0 million). Another \$907.1 million would go toward Provincial Reconstruction Teams (PRTs), paying salaries (\$187.6 million), operations (\$63.8 million), living accommodations and medical support (\$72.1 million), information technology (\$60.3 million), vehicles (\$3.3 million), security (\$516.8 million) and leases of space in Baghdad (\$3.2 million).

The Administration is also seeking \$162.4 million for worldwide security upgrades in Afghanistan. Of this amount, \$80 million would pay for securing facilities, including overhead (roof) protection; \$38 million would be for high threat protection teams and support for the election process; \$36.5 million would fund unbudgeted security costs for other agencies; and \$7.9 million would buy fully-armored vehicles for the embassy and PRTs. Other expenses covered by the FY2008 emergency supplemental request for the Department of State include \$160 million for U.S. staff housing in Afghanistan under the Embassy Security, Construction, and Maintenance account, \$53 million for U.S. assessments for U.N. activities related to combat terrorism, and \$723.6 million for U.S. Contributions for International Peacekeeping activities in Darfur.

² For more information, see CRS Report RS21867, *U.S. Embassy in Iraq*.

Table 1. FY2008 Emergency Supplemental State Department Request

(millions of U.S. dollars)

Activity	Regular Request FY2008	Original FY2008 Supp. Request	Amended FY2008 Supp. Request	Total FY2008 Supp. Request
Total for Administration of Foreign Affairs	7,317.1^a	1,934.6	1,285.0	3,219.6
Diplomatic & Consular Programs	4,942.7	1,881.6	401.4	2,283.0
Iraq Operations	—	(1,881.6)	(239.0)	(2,120.6)
Worldwide Security Upgrades	(964.8)	—	(162.4)	(162.4)
Embassy Security, Construction & Maintenance	1,599.4 ^b	—	160.0	160.0
Contributions to International Organizations	1,354.4	53.0	—	53.0
Contributions to International Peacekeeping	1,107.0	—	723.6	723.6
Total	9,003.5	1,934.6	1,285.0	3,219.6

a. Includes other funds not listed in this table.

b. Includes worldwide security upgrade funds for embassies.

Foreign Operations³

The Foreign Operations portion, totaling \$3.678 billion, of the supplemental request was sent to Congress in two tranches. A \$1.367 billion request accompanied the President's budget on February 6, 2007. An amended request for \$2.311 billion, including P.L. 480 food aid, was sent to Congress on October 22nd. Approximately one-third of the request is made up of \$2.217 billion in Economic Support Funds (ESF) for Iraq (\$797 million), Afghanistan (\$834 million), West Bank and Gaza (\$350 million), North Korea (\$106 million), Sudan (\$70 million) and Pakistan (\$60 million). (See **Table 2** for full request.)

Anti-narcotics emergency supplemental funding for FY2008 totals \$734 million, the largest portion allocated for Mexico and Central America (\$550 million). Migration and Refugee Assistance (MRA) totals \$230 million, mainly for Iraqi and Palestinian refugees. International Disaster and Famine Assistance (IDFA), totaling \$80 million, would fund programs in Iraq to assist internally displaced persons

³ Prepared by Connie Veillette, Specialist in Foreign Assistance.

(IDPs). The request also includes \$5 million for the Afghanistan Presidential Protection Service from the Nonproliferation, Anti-terrorism, Demining and Related Programs (NADR) account. A \$350 million request for P.L. 480 food aid would support programs in the Horn of Africa, Kenya, Sudan, and a \$30 million contingency fund to anticipate future needs elsewhere.

Table 2. FY2008 Foreign Operations Emergency Supplemental Request
(millions of U.S. dollars)

Country/Account	FY2008 Regular Request	FY2008 Original Request	FY2008 Amended Request	Total Supp. Request
Afghanistan	1,067.1^a			855.0
ESF	693.0	339.0	495.0	834.0
NADR	21.7	0.0	5.0	5.0
USAID Operating Expenses	—	16.0	0.0	16.0
Iraq	391.8^a			1,276.8
ESF	298.0	772.0	25.0	797.0
INCLE	75.8	159.0	0.0	159.0
IDFA	—	0.0	80.0	80.0
MRA	—	35.0	160.0	195.0
USAID Operating Expenses	—	45.8	0.0	45.8
Mexico — Central America Initiative	220.4^a			550.0
INCLE	31.7	0.0	550.0	550.0
West Bank/Gaza	77.0^a			410.0
INCLE	3.5	0.0	25.0	25.0
MRA	—	0.0	35.0	35.0
ESF	63.5	0.0	350.0	350.0
Pakistan	785.0^a			60.0
ESF	382.9	0.0	60.0	60.0
North Korea	2.0			106.0
ESF	2.0	0.0	106.0	106.0
Sudan	679.2^a			145.0
ESF	245.9	0.0	70.0	70.0
PL480	245.0	0.0	75.0	75.0
Horn of Africa/Kenya	—			110.0
PL480	7.0	0.0	110.0	110.0
Southern Africa	—			135.0
PL480	—	0.0	135.0	135.0
PL480 — Unallocated	1,219.4	0.0	30.0	30.0
Total	4,439.9	1,366.8	2,311.0	3,677.8

Notes: Figures do not include State Department Operations. **Acronyms:** ESF-Economic Support Fund; INCLE-International Narcotics Control and Law Enforcement; IDFA-International Disaster and Famine Assistance; MRA-Migration and Refugee Assistance; NADR-Nonproliferation, Anti-terrorism, Demining, and Related Programs; and PL480-Food for Peace; USAID-U.S. Agency for International Development.

a. Country totals include other accounts for which supplemental funds were not requested.

Iraq Reconstruction Assistance⁴

To date, nearly \$42 billion in U.S. funds have been appropriated to support all facets of Iraq reconstruction. Almost all this funding has been appropriated in annual supplemental legislation. For FY2008, the Administration made no request for security assistance in its regular Defense budget proposal, but asked for roughly \$392 million under State/Foreign Operations appropriations. In both the House and Senate versions of H.R. 2764, the FY2008 State/Foreign Operations appropriations, Congress rejected the Administration request for Iraq. Therefore, funding for Iraq reconstruction in FY2008 is expected to come entirely from an emergency supplemental measure.

The Administration's FY2008 emergency supplemental appropriations request, revised on October 22nd, includes \$4.9 billion in funding for Iraq reconstruction. Reconstruction aid has two main components — security aid funded with Department of Defense (DOD) appropriations and political/economic/social sector assistance funded with State/Foreign Operations appropriations.

The request for DOD reconstruction appropriations totals about \$3.7 billion. It would chiefly fund the training and equipping of Iraqi troops under the Iraq Security Forces Fund (ISFF) and reconstruction grants provided under the Commander's Emergency Response Program (CERP). The CERP allows military civil affairs officers to support a wide variety of economic activities at the local level, from renovating health clinics to digging wells to painting schools, provided in the form of small grants. CERP also funds some infrastructure efforts no longer supported with other U.S. assistance, such as repair or provision of electric generators and construction of sewer systems. Commanders are able to identify needs and dispense aid with few bureaucratic encumbrances.

The recent budget revision added a \$100 million request to the Iraq Freedom Fund account for the Task Force to Improve Business and Stability Operations in Iraq. The Task Force, funded at \$50 million under the previous supplemental appropriations legislation, seeks to stimulate the economy and create employment for Iraqi citizens by rehabilitating some of the roughly 200 state-owned enterprises that comprised a large portion of the Iraqi economy prior to the U.S. occupation. News reports have suggested some difficulty with the program, resulting from the lack of electricity, the insecure environment, and a lack of enthusiasm from U.S. companies that had been expected to invest in the facilities, among other reasons.⁵

Under the State/Foreign Operations appropriations budget, the FY2008 emergency supplemental request directs \$1.2 billion toward Iraq — \$797 million in the Economic Support Fund (ESF), \$159 million in the International Narcotics and Law Enforcement (INCLE), and \$195 million in the Migration and Refugee

⁴ Prepared by Curt Tarnoff, Specialist in Foreign Affairs. For more detailed discussion of the U.S. program of assistance to Iraq, see CRS Report RL31833, *Iraq: Reconstruction Assistance*.

⁵ "U.S. Falters in Bid to Boost Iraqi Business," *Washington Post*, August 24, 2007; "In Iraq, One Man's Mission Impossible," *CNN Money.com*, September 4, 2007.

Assistance (MRA), and \$80 million in the International Disaster and Famine Assistance (IDFA) accounts. ESF is the primary source of funding for the assistance provided by the Provincial Reconstruction Teams (PRTs), which have grown under the surge to more than 25, including 15 newly established ePRTs embedded with U.S. combat battalions and concentrated mostly in Baghdad and Anbar province. The ePRTs are intended to help stabilize areas secured by U.S. and Iraqi forces. PRTs are expected to help stabilize an area by supporting local small-scale, employment-generating, economic projects, using ESF-funded community development grants, job training and micro-loan programs, among other activities. PRTs also utilize ESF to increase the capacities of local government officials to spend Iraqi-owned capital funds allocated by the Iraqi government for infrastructure programs. At the national level, ESF supports Ministerial capacity development, agriculture and private sector reform, and the strengthening of democratization efforts.

The recent budget revision added another \$25 million to the ESF supplemental request and proposes authorization language to allow the Administration to establish a new Iraq enterprise fund based on the model created for east Europe and the former Soviet Union. Enterprise funds are U.S. government-funded private sector-run bodies that primarily provide loans or equity investments to small and medium business. In the former communist countries, enterprise funds also encouraged growth of the private sector, including support for mortgage lending markets and establishment of private equity funds. The most successful example, the Polish Fund, made many profitable investments, helping companies grow that otherwise were unable to obtain financial support in the period just after the fall of communism. Some of the funds, however, have been much less successful, either by taking on poor investment risks, or unable to locate promising businesses because of the poor business climate or competition from other private sector funding sources. Some observers question the usefulness of the funds because their ostensible development purpose seems often to conflict with pressures for economic profit.

The INCLE account largely would support rule of law and corrections programs. The Administration request is expected to fund prison construction, something that Congress has sometimes cut from previous requests. The request is also intended to extend judicial reform and anticorruption efforts to the provinces. The MRA request would address the continuing refugee crisis in the region; an estimated 2.0 million Iraqis have fled the country and another 2.2 million have been displaced due to sectarian violence and instability. The IDFA program would provide medical care, food, shelter and other relief to refugees and displaced people.

FY2008 emergency funds are also requested for operational costs (not included in the reconstruction aid total or in **Table 3**) for staffing and administering reconstruction programs: \$679 million for PRT and \$45.8 million for USAID operations.

Table 3. FY2008 Emergency Supplemental Appropriations for Iraq Reconstruction
(millions of U.S. dollars)

International Affairs (Budget Function 150 Accounts)	
	Administration Request
Economic Support Fund (ESF)	797.0
International Narcotics Control and Law Enforcement (INCLE)	159
Migration and Refugee Assistance (MRA)	195
International Disaster and Famine Assistance (IDFA)	80.0
TOTAL 150 Account	1,231.0
Department of Defense (Budget Function 050 Accounts)	
Iraq Security Forces Fund (ISFF)	3,000
Commander's Emergency Response Program (CERP)	609.7 ^a
Iraq Freedom Fund (for Task Force to Improve Business)	100.0
TOTAL 050 Account	3,709.7
GRAND TOTAL 150 & 050	4,940.^b

Sources: Department of State and Department of Defense FY2008 Congressional Budget Justifications.

- a. The total CERP request of \$1,219.4 million is for both Iraq and Afghanistan. The amount included here assumes that half will be used in Iraq.
- b. Not included are \$45.8 million in USAID operational expenses (OE) for Iraq programs and \$679 million for PRT OE.

Afghanistan⁶

Background. Afghanistan's political transition was completed with the convening of a parliament in December 2005, but in 2006 insurgent threats to Afghanistan's government escalated to the point that some experts began questioning the success of U.S. stabilization efforts. In the political process, a new constitution was adopted in January 2004, successful presidential elections were held on October 9, 2004, and parliamentary elections took place on September 18, 2005. The parliament has become an arena for factions that have fought each other for nearly three decades to debate and peacefully resolve differences. Afghan citizens have started to enjoy new personal freedoms, particularly in the northern and western

⁶ Prepared by Rhoda Margesson, Specialist in International Humanitarian Policy, and Kenneth Katzman, Specialist in Middle Eastern Affairs.

regions of the country, that were forbidden under the Taliban. Women are participating in economic and political life, including as ministers, provincial governors, and senior levels of the new parliament. The next elections are planned for 2009.

The insurgency led by remnants of the former Taliban regime escalated in 2006, after several years in which it appeared the Taliban was mostly defeated. U.S. and NATO military commanders have had recent successes in counter-insurgency operations, but the Taliban continues to present a considerable threat to peace and security in parts of Afghanistan. Slow reconstruction, corruption, and the failure to extend Afghan government authority into rural areas and provinces, particularly in the south and east, have contributed to the Taliban resurgence. In recent months, political leadership in the more stable northern part of the country have registered concerns about distribution of reconstruction funding. In addition, narcotics trafficking is resisting counter-measures, and independent militias remain throughout the country, although many have been disarmed. Also, the Afghan government and U.S. officials have said that some Taliban commanders are operating from Pakistan, putting them outside the reach of U.S./NATO forces in Afghanistan. In 2007, the Administration unveiled a new initiative, Reconstruction Opportunity Zones (ROZ) in Afghanistan and the border regions with Pakistan to stimulate economic activity in underdeveloped, isolated regions.

The United States and partner stabilization measures focus on strengthening the central government and its security forces and on promoting reconstruction while combating the renewed insurgent challenge. As part of this effort, the international community has been running PRTs to secure reconstruction. Despite these efforts, weak provincial governance is seen as a key obstacle to a democratic Afghanistan and continues to pose a threat to reconstruction and stabilization efforts.

The FY2008 Original and Amended Emergency Supplemental Request. The Administration requested a total of \$355 million in the FY2008 emergency supplemental funds for Afghanistan in February 2007. These included ESF (\$339 million) and security requirements for USAID (\$16 million). The Administration amended the FY2008 supplemental request, increasing it by \$483.4 million (for a total request of \$838.4 million), which includes several provisions intended to continue U.S. efforts to stabilize Afghanistan and continue economic reconstruction efforts, but most of the increase is for embassy operations and security.⁷ (See **Table 4**.)

Key elements of the FY2008 emergency supplemental request include \$495 million in Economic Support Funds (ESF) for democratic governance and reconstruction efforts to continue security and development strategy (an increase of \$156 million over the original FY2008 emergency supplemental request of \$339 million), which would be allocated as follows:

⁷ Funding figures obtained from the FY2008 Revised Emergency Proposal dated October 22, 2007; the proposed Budget for Fiscal Year 2008 (“Additional 2007 and 2008 Proposals”) submitted in February 2007; and the Supplemental Appropriations Justification Fiscal Year 2008 prepared by the Department of State and USAID.

- \$275 million would be used to strengthen provincial governance and responsiveness to the Afghan people. Funding would support a wide range of programs, preparation activities for the 2009 election and ongoing programs, such as the National Solidarity Program (\$40 million), the Afghanistan Reconstruction Fund (\$25 million), and the Provincial Governance Fund (\$50 million);
- \$50 million would be used as part of an effort to invest in basic social services, such as health and education, particularly in rural areas; and
- \$170 million would be made available for economic growth and infrastructure, including the development of power sector projects (\$115 million); road projects (\$50 million) focused on those segments that are of strategic military importance and provide key connections between the central and provincial government capitals; and funding to support Reconstruction Opportunity Zones (\$5 million) in designated economically isolated areas and create employment alternatives.

In addition to the ESF funding, the request includes:

- \$162.4 million to support Diplomatic and Consular Programs (DCP) in Afghanistan as part of a worldwide security upgrade in the Global War on Terror. Allocations of this request would go for security operations (\$38 million); secure facilities (\$80 million); other agencies' unbudgeted security costs (\$36.5 million); and fully armored vehicles (\$7.9 million);
- \$160 million to support embassy security, construction and maintenance, mainly housing for U.S. mission staff in Afghanistan;
- \$5 million in Non-proliferation, Anti-terrorism, Demining and Related Programs (NADR) to support the Afghan leadership through the Presidential Protection Service;
- \$53 million for Contributions to International Organizations (CIO) to pay U.S. assessments toward the U.N. Assistance Mission in Afghanistan (UNAMA) and the U.N. Assistance Mission in Iraq (UNAMI), both of which are paid for out of the U.N. regular budget (and the United States' obligation is 22 percent); and
- \$16 million for FY2008 security requirements for USAID operations in Afghanistan. This item was part of the FY2008 emergency supplemental request.

Table 4. Afghanistan Aid, FY2008
(millions of U.S. dollars)

Activity (appropriation account) ^a	Regular FY2008 budget Request	Original FY2008 Supp Request	Amended FY2008 Supp Request	Total FY2008 Supp Request
Infrastructure aid (ESF)	693.0	339.0	495.0	495.0
U.S. mission security (DCP)	—	—	162.4	162.4
U.S. Embassy Security, Construction, Maintenance	—	—	160.0	160.0
USAID mission security (OE)	—	16.0	—	16.0
Nonproliferation (NADR)	21.7	—	5.0	5.0
Narcotics/ Law Enforce. (INCLE)	274.8	—	—	—
Health (CSH)	65.9	—	—	—
Military Education (IMET)	1.7	—	—	—
Total	989.5	355.0	822.4	838.4

Source: FY2007 and FY2008 budget materials.

Notes: Data in this table reflect ongoing and FY2008 proposed funding for programs the same as or similar to those requested in the FY2007 supplemental. The **total** line does not represent total aid or mission operations for Afghanistan. Excluded from this table is proposed funding requested for FBI operations in Afghanistan. P.L. 480 - Title II emergency food aid funds are included in a total appropriation of \$200 million available for missions in Afghanistan and parts of Africa.

Acronyms: ESF - Economic Support Fund, MRA-Migration and Refugee Assistance, DCP-Diplomatic and Consular Programs, OE-Operating Expenses, NADR-Nonproliferation, Anti-terrorism, Demining, and Related Programs, and INCLE-International Narcotics Control and Law Enforcement, IDFA-International Disaster and Famine Assistance, CSH - Child Survival and Health, and IMET - International Military Education and Training.

Pakistan⁸

The Federally Administered Tribal Areas (FATA) are considered strategically important to combating terrorism while continued terrorist and militant activities in the frontier region remain a threat to U.S interests in Afghanistan. The Government of Pakistan has developed a FATA Sustainable Development Plan to be implemented over 10 years. In support of this plan, the State Department and the U.S. Agency for International Development have put forward a five-year \$750 million development assistance strategy for the frontier region (a pledge of \$150 million per year) that

⁸ Prepared by Rhoda Margesson, Specialist in International Humanitarian Policy.

complements the Government of Pakistan's plan.⁹ The Frontier Strategy objectives are to improve economic and social conditions in the Federally Administered Tribal Areas in order to address the region's use by terrorists and militants. Programs would include governance, health and education services, and economic development, such as agricultural productivity, infrastructure rehabilitation, credit, and vocational training.

On November 4, 2007, President Musharraf imposed emergency rule and suspended Pakistan's constitution. In light of these events, the Administration announced a review of U.S. assistance.

The FY2008 Original and Amended Supplemental Request. The Administration did not request funding for Pakistan in its original FY2008 emergency supplemental request in February 2007. The FY2008 regular budget request asked for \$90 million for the frontier region development plan, which left a gap of \$60 million in the overall U.S. pledge of \$150 million. The FY2008 additional supplemental request for \$60 million in Economic Support Fund would address this funding gap and meet the full pledge as follows: Investment in governance and planning (\$13 million); health and education programs (\$15 million); and local economic development (\$32 million). The \$60 million emergency supplemental request is in addition to the \$785 million requested in the regular FY2008 budget from various accounts.

Sudan¹⁰

The Administration seeks a total of \$868.6 million in emergency supplemental funds for Sudan, most of which would be for humanitarian and peacekeeping support in the Darfur region. No funding was requested for Sudan in the original FY2008 emergency supplemental, but the country is scheduled to receive \$321 million for assistance in the regular FY2008 budget.

FY2008 Additional Emergency Supplemental Request. Major elements of the FY2008 additional emergency supplemental include:

- A \$70 million request in ESF funds for Sudan to support upcoming national elections that are to take place before July 2009, according to the 2005 Comprehensive Peace Agreement between north and south Sudan. Part of the effort will focus on strengthening political parties, drafting the electoral law, supporting an electoral commission, promoting civic education, and supporting election-related institutions and processes. The United Nations estimates that the elections could cost nearly \$400 million because of the logistical hurdles in conducting elections in a post-conflict environment;

⁹ For more detail on Pakistan, see CRS Report RL33498, Pakistan-U.S. Relations.

¹⁰ Prepared by Rhoda Margesson, Specialist in International Humanitarian Policy.

- \$75 million for additional food assistance (P.L. 480, Title II) in the Darfur region of Sudan and for those displaced in Eastern Chad; and
- \$723.6 million in support of the U.N. Assistance Mission in Darfur (UNAMID). The U.N. assessment for the Darfur peacekeeping force is estimated to be \$3.4 billion in 2008. (The U.S. share will be approximately \$884 million.) The President has already requested \$391.1 million for the existing U.N. mission in Sudan (UNMIS), but based on the 2007-2008 U.N. peacekeeping budget, the U.S. share will be \$280 million in FY2008. This leaves approximately \$160 million for UNAMID, which represents a shortfall of \$724 million.

Table 5. Sudan Emergency Supplemental, FY2008
(millions of U.S. dollars)

Activity (appropriation account) ^a	FY2008 Regular Request	FY2008 Original Supp Request	FY2008 Amended Supp Request	FY2008 Supp Request Total
PL480, Title II food aid	—	—	75.0	75.0
AMIS (PKO)	41.4	—	—	—
U.N. peacekeeping mission/Darfur (CIPA)	—	—	723.6	723.6
Economic Support Fund (ESF)	245.9	—	70.0	70.0
Foreign Military Financing (FMF)	0.1	—	—	—
Military Education/Training (IMET)	0.3	—	—	—
Narcotics Control/Law Enforce. (INCLE)	24.0	—	—	—
Nonprolif./Anti-terrorism/Demining	4.0	—	—	—
Total	\$315.7	\$0.0	\$868.6	\$868.6

Source: FY2007 and FY2008 budget materials. In addition, as part of the FY2007 supplemental request, the Administration requested transfer authority from CIPA to PKO.

Notes: Data in this table reflect ongoing funding for programs similar to those requested in the FY2006 and FY2007 supplementals. The **Total** line does not represent total aid or mission operations for Sudan. FY2007 ERMA funds include a total appropriation of \$30 million available for places such as Somalia, Chad, West Bank/Gaza, Iraq and Sri Lanka. The funds could also support planning for Darfur refugee flows to Chad. PKO funds include an additional appropriation of \$128 million to support anticipated peacekeeping in Africa, including Darfur.

Acronyms: IDFA-International Disaster and Famine Assistance, MRA-Migration and Refugee Assistance, AMIS-African Union Mission, PKO-Peacekeeping Operations, CIPA-Contributions to International Peacekeeping Activities, DCP-Diplomatic and Consular Programs, ESF-Economic Support Fund.

Mexico and Central America¹¹

The emergency supplemental request includes \$550 million to meet the first installment of a reportedly \$1 billion-plus anti-narcotics package for the Mexico and Central America Security Initiative. Composed entirely of funds from the International Narcotics Control and Law Enforcement Account (INCLE), the initiative is to address criminal gang and drug trafficking activities and to support improved justice systems and rule of law programs. Mexico would see \$500 million of the initial package for border security technology and transport for law enforcement and to improve judicial and prison systems. Countries in Central America would receive \$50 million to improve border security, deter the smuggling of drugs, arms, and persons, and improve the justice sector and gang prevention programs. Regular funding for Mexico totaled \$65.4 million in FY2007 and a requested \$45.1 million in FY2008. The countries of Central America received \$134.8 million in FY2007 and are proposed to receive \$146.5 million in FY2008.

West Bank and Gaza¹²

The FY2008 emergency supplemental request includes \$375 million to support the Palestinian Authority (PA) government. The focus is on rule of law, economic growth, and governance issues. The supplemental request is in addition to \$77 million requested in the regular FY2008 budget and comes after a new PA government was formed without Hamas control. Consisting largely of ESF funds, \$40 million is to address governance issues, \$20 million would improve health care services, \$130 million is to support job creation, infrastructure, trade and investment, and agriculture programs, and \$150 million would consist of budget support in the form of a cash transfer. An additional \$25 million in INCLE funds would be used to train and equip the Presidential Guards and National Security Force, and \$35 million in MRA funds would be for Palestinian refugees in the West Bank and Gaza and in refugee camps in Lebanon.

North Korea¹³

The Administration proposes \$106 million in ESF funds for North Korea as a result of commitments made as part of the Six Party Talks. In February 2007, North Korea agreed to shut down and eventually abandon the Yongbyon nuclear facility, to allow International Atomic Energy Agency monitors back in the country and to disable all existing nuclear facilities. In return, the United States and other Six Party Talks members (South Korea, China, Russia and Japan) agreed to provide 1 million metric tons of heavy fuel oil, or the equivalent in other assistance, as North Korea

¹¹ Prepared by Connie Veillette, Specialist in Foreign Assistance. For more information, see CRS Report RL34215, *Mexico's Drug Cartels*, and CRS Report RL32724 *Mexico-U.S. Relations: Issues for Congress*.

¹² For more information, see CRS Report RL34074 *The Palestinian Territories: Background and U.S. Relations*, and CRS Report RS22370 *U.S. Foreign Assistance to the Palestinians*.

¹³ For more information, see CRS Report RL33590 *North Korea's Nuclear Weapons Development and Diplomacy*.

meets its commitments. The U.S. share is one-quarter of the 1 million metric tons, or equivalent assistance. The total cost for the U.S. commitment is \$131 million. The President authorized \$25 million in FY2007 supplemental funds, leaving \$106 million that would be provided with the FY2008 supplemental funding.

Other Humanitarian Assistance¹⁴

Although proposed aid packages for specific countries anticipate and identify some humanitarian needs, the Administration also seeks funding for what its claims are unmet or unforeseen humanitarian needs. Total funding is provided by account with details on countries and activities:

- \$350 million in additional P.L. 480 - Title II assistance to meet emergency food needs in the Darfur region of Sudan (\$75 million) and elsewhere worldwide, including places such as southern Africa (\$135 million), and the Horn of Africa and Kenya (\$110 million);
- Contingency funding (\$30 million) is requested for possible needs elsewhere, including West Bank/Gaza and South Asia;
- \$80 million for International Disaster and Famine Assistance (IDFA) to support humanitarian assistance to internally displaced populations in Iraq and their host communities; and
- \$230 million for Migration and Refugee Assistance (MRA) for anticipated and unanticipated refugee and migration emergencies. \$195 million is requested for humanitarian assistance to Iraqi refugees. (This is an increase of \$160 million for Iraqi refugees; \$35 million was requested in the earlier version of the FY2008 emergency supplemental request.) In addition, \$35 million is requested for the emergency needs of Palestinian refugees in Gaza and West Bank, and for Palestinian refugee camps in Lebanon.

¹⁴ Prepared by Rhoda Margesson, Specialist in International Humanitarian Policy.

Appendix A. FY2008 Emergency Supplemental Request, State Department and Foreign Operations

(millions of U.S. dollars)

Account	FY2008 Base Request	FY2008 Original Supp. Request	FY2008 Second Supp. Request	FY2008 Total	FY08 Supp. House	FY08 Supp. Senate	FY08 Supp. Final
State Department							
Diplomatic & Consular Programs	4,942.7	1,881.6	401.4	2,283.0			
Embassy Security, Construction, Maintenance	792.5	—	160.0	160.0			
Contributions to International Organizations	1,354.4	53.0	—	53.0			
Contributions to International Peacekeeping	1,107.0	—	723.6	723.6			
Total, State Department	8,196.6	1,934.6	1,285.0	3,219.6			
Foreign Operations							
Economic Support Fund	3,319.6	1,111.0	1,106.0	2,217.0			
International Narcotics Control/Law Enforcement	634.6	159.0	575.0	734.0			
Nonproliferation, Anti-Terrorism, Demining	464.0	—	5.0	5.0			
Migration and Refugee Assistance	773.5	35.0	195.0	230.0			
International Disaster & Famine Relief	297.3	—	80.0	80.0			
USAID Operating Expenses	609.0	61.8	—	61.8			
Total, Foreign Operations	6,098.0	1,366.8	1,961.0	3,327.8			
Total, State and Foreign Operations	7,205.0	1,366.8	2,684.6	4,051.4			
P.L. 480 Food Aid	1,319.4	—	350.0	350.0			

Notes: Table does not include all accounts in the State Department, Foreign Operations, and Related Programs appropriations bills. Accounts listed above are those for which emergency supplemental funds are requested